

Rives Township *Special* Board Meeting
Lansing Ave. Fire Station
May 15, 2023

The meeting was called to order at 5:30 p.m.

The purpose of the special meeting was to consider the appointment of a Township Clerk based on the recommendation of the Republican Party Committee, and to learn the results of the audit requested April 4th regarding the discrepancy in the Treasurer's pay.

Present: Supervisor Jerald Adams, Treasurer Janina Teske, Trustee Bryce Hammond and Trustee Christine Beecher. Township Attorney Victor Lillich. FOIA Coordinator Jobeth Carlton.

Trustee Hammond asked that #10 on the Agenda "Appointed Committee of the Republican Party Recommendation Form Clerk Appointment" be moved ahead of #7 "Collection Site Employee's Issues / Payroll."

Motion by Teske, supported by Beecher, to approve the Agenda as changed. All ayes. Motion carried.

Public Comment #1

Public Comment opened at 5:35 p.m.

- Mary Miller said she hopes the attorney is representing the people.
- Joseph Yang requested a full audit of township compensation, and he urged immediate action. He believes an opinion should have been requested for possible solutions regarding the payroll process. Separation of duties should be defined. The Consent Agenda approval method should be abandoned.
- Mark Stevenson would like the board to accept Jan Hayward for the Clerk position because she is "tried and certified."
- ***** Joseph Carlton talked to the committee members that were asked to recommend a Clerk, and one member believes he would change his vote because information was misrepresented to him.
- ***** Amended at meeting on 6/16/2023 updated for Joseph Super instead of Carlton.

Public Comment closed at 5:52 p.m.

Motion by Adams, supported by Beecher, to approve the February 9th Meeting Minutes as presented. All ayes. Motion carried.

Motion by Adams, supported by Beecher, to approve the meeting minutes for the March 30th Budget Hearing Meeting. All ayes. Motion carried.

Motion by Adams to approve the March 30th Board Meeting Minutes as changed. This motion was tabled because Hammond didn't receive a copy.

Motion by Adams, supported by Beecher, to approve the April 11th Meeting Minutes. All ayes. Motion carried.

Hammond asked to amend the motion regarding Clerk applicant Kathleen Brooks in the April 18th Special Board Meeting minutes to "failed to get support - motion denied."

Motion by Adams, supported by Teske, to approve the April 18th Special Board Meeting Minutes as changed. All ayes. Motion carried.

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Motion by Adams, supported by Beecher, to approve the April 25th Meeting Minutes. All ayes. Motion carried.

Motion by Adams, supported by Beecher, to approve the May 4th Special Meeting Minutes. All ayes. Motion carried.

Motion by Adams, supported by Teske, to go into Closed Session. Roll call. Hammond - no, Beecher - no, Adams - yes, Teske - yes. 2 - yes, 2 - no. Motion failed.

Hammond asked that a call be placed to Attorney Fred Lucas due to the outcome of this vote and not receiving a definitive opinion from Attorney Lillich. Attorney Lucas informed Adams that the discussion that was to be part of the Closed Meeting must now be made public.

Attorney Lillich described the unauthorized additions to the Treasurer's paychecks as a "misinterpretation of motions." The motion passed in 2016, and the Treasurer made an interpretation and was "presuming" she would be paid for additional work beyond that.

- Hammond asked if she had been paid the way the motion read since 2016, how she could now be "presuming" to be paid differently.
- Township auditor Rick Schefferly of Willis & Jurasek, P.C., reported on his audit. He compared the number of permits the Treasurer was paid for in payroll to the number of permits that should have been paid out. He used the BS&A program for his comparison, and said "there was support from BS&A for what had been paid."
- Trustee Hammond asked why details were not given the board regarding the actual amount added to the Treasurer's paychecks. Schefferly replied, "You can do the math."
- Hammond asked who directed Schefferly about what was to be included in the audit, and he replied it was the Supervisor.
- Adams said he told Schefferly "exactly what we discussed during our discussion" (referring to the Closed Meeting).

Treasurer Janina Teske's explanation:

- She was elected in 2014 and permits were assigned to her. Prior to this time, the Clerk and Treasurer had been compensated \$20 per permit processed. She said she saved the township well over \$25,000 and said the Building Dept is not to make a profit.
- The report she based her compensation on was from BS&A, and not hand-generated.
- She had been submitting her payroll card to the Clerk for review.
- There was an "understanding" that she be compensated for contractor registrations.
- Taking the motion to the board for clarification would have meant she had a question on what she was to be paid.

Beecher said Teske raised the contractor fees from \$15 to \$35 without a motion. Attorney Lillich said the Treasurer interpreted that to be "\$20 across the board."

Adams said that when Vercilla Hart brought this to light, he "called Janina and she was in shock." She had indicated she wanted to "make this right." Adams would like to see "some form of consideration."

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Hammond asked Auditor Schefferly if this would be reported on the township's audit, and he said it wouldn't.

Hammond asked Attorney Lillich if this would be interpreted as malfeasance or misfeasance, and he said "neither."

Hammond asked if the Treasurer would be paying for all the attorney fees regarding the overcompensation. Attorney Lillich said that would have to go through Circuit Court.

Motion by Hammond, supported by Beecher, that after reviewing all this information, ask the Michigan State Police to do a 3rd-party audit and the township board to fully cooperate with the investigation. Roll call. Beecher - yes, Hammond - yes, Teske - no, Adams - no. 2 - yes, 2 -no. Motion failed.

Motion by Hammond to file and complete a claim with the Treasurer's security bond based on the evidence. No support. Motion failed.

Motion by Hammond, supported by Beecher, that at the end of 30 days if it's not paid back by the Treasurer that we take steps to file and complete a surety bond claim with the bonding company for \$10,900.00. Roll call. Beecher - yes, Hammond - yes, Adams - yes, Teske - no. 3- yes, 1 -no. Motion carried.

Recommendation of Republican Party Committee Chair

Russ Jennings reported he was contacted last week by John Brennan, and Cory Kennedy and Jay Horsfall were also chosen to be on a committee to interview candidates Jan Hayward and Vercilla Hart and make a recommendation to the Rives Township Board for the Clerk position. Hart has studied the duties of the Clerk, but Hayward has experience as a Deputy Clerk. The committee puts importance on a clerk that would be "highly knowledgeable on elections," and both candidates should work with an experienced Clerk for their first election. Jan Hayward is their recommendation for the Clerk position.

Beecher said all candidates for the position were not interviewed, and the Agenda item does not state that a decision would be voted on at today's meeting. A meeting was set for May 18th for a vote on the Clerk appointment.

Collection Site

Motion by Hammond, supported by Beecher, to release Nancy Harris as Collection Site Manager. Roll call. Teske - no, Beecher - yes, Hammond - yes, Adams - no. 2 -no, 2 - yes. Motion failed.

Adams read a letter from Nancy Harris, whose resignation would be effective May 31, 2023.

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Motion by Adams, supported by Beecher, to accept the resignation letter from Nancy Harris effective May 31st. All ayes. Motion carried.

Motion by Hammond, supported by Beecher, to hire back Rick Baldwin to start that day if he agrees. Beecher - yes, Hammond - yes, Teske - no, Adams - no. 2 - yes, 2 -no. Motion failed. Adams requested to talk to Austin and to Rick first.

Motion by Beecher, supported by Adams, to pay Markas Hamlin \$30 for showing up when the Collection Site was closed. All ayes. Motion carried.

(This happened because of miscommunication from Clerk McCord that the Collection Site was open.)

Motion made and rescinded by Hammond to change locks at the front gate.

Additional Business

Former Clerk Judi McCord submitted a time card for 46 hours overtime due to the audit. Treasurer Teske replied the time card just shows “a number and a time” and she would like to see “verification of those hours.”

Motion by Beecher, supported by Hammond, to pay former Clerk Judi McCord 46 hours in overtime due to the audit. All ayes. Motion carried.

Motion by Hammond, supported by Beecher, for monthly board meetings to start at 6 p.m. or later and to be held every other month. Beecher - yes, Hammond - yes, Teske - no, Adams - no. 2 - yes, 2 -no. Motion failed.

Public Comment #2

Public Comment began at 8:05 p.m.

- Mary Hall thanked Treasurer Teske for her public explanation. The township is in a lot of turmoil.
- Vercilla Hart stated the timeline of the Treasurer’s overcompensation, and said the board needs to decide tonight what the Treasurer is and is not to be paid for.
- Alex Silvestri said Attorney Lillich’s reporting tonight does not explain the interpretation by Treasurer Teske.

The meeting adjourned at 8:06 p.m.

Submitted by Vercilla Hart, Clerk.